

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

Consumer Financial Protection Bureau,
Petitioner,

v.

Community Loans of America, Inc.,
Respondent.

Case No.: 1:23-mi-00100-SEG-REV

JOINT STATUS REPORT

Petitioner, Consumer Financial Protection Bureau, and Respondent, Community Loans of America, Inc., (the Parties) write to notify the Court of developments relevant to the stay of the Bureau’s Petition to Enforce its civil investigative demand.

Specifically, this Court ordered on January 2, 2024, that this matter be stayed pending the Supreme Court’s ruling in *CFPB v. Community Financial Services Ass’n of Am., Ltd.*, No. 22-448, and required the Parties to submit this joint status report within ten days following the Supreme Court’s ruling. *See* Dkt. No. 15. The Supreme Court has now issued its decision in that case. *See* 2024 WL 2193873 (U.S. May 16, 2024) (“*CFSA*”).

In *CFSA*, the Court—with Justice Thomas writing for a seven-justice majority—affirmed the validity of the Bureau’s funding mechanism and held that

“the Bureau’s funding mechanism does not violate the Appropriations Clause.” *Id.* at *5. Relying on constitutional text and history, the Court explained that “appropriations need only identify a source of public funds and authorize the expenditure of those funds for designated purposes to satisfy the Appropriations Clause.” *Id.* The Court concluded that “[t]he Bureau’s funding statute contains the requisite features of a congressional appropriation” and thus that “the requirements of the Appropriations Clause are satisfied.” *Id.* at *9.

In the wake of this decision, the Parties have conferred, and Respondent has agreed to withdraw its objection to complying with Petitioner’s pending civil investigative demand. The Parties anticipate working cooperatively to schedule the investigational hearings sought by the CID. Petitioner respectfully requests that the Court keep this action open until Respondent has complied with the CID, and that Petitioner be allowed to file a withdrawal motion upon the completion of the investigational hearings.

Respectfully submitted,

*Counsel for Petitioner Consumer
Financial Protection Bureau*

*Eric Halperin
Enforcement Director*

*Alusheyi J. Wheeler
Deputy Enforcement Director*

Jade Burns
Assistant Litigation Deputy

/s/ Kevin E. Friedl

Kevin E. Friedl (NY Bar No. 5240080)

Kevin.Friedl@cfpb.gov

Phone: (202) 435-9268

Paris Wynn (GA Bar No. 933549)

Paris.Wynn@cfpb.gov

Phone: (202) 435-9530

John Thompson (NM Bar No. 139788)

John.Thompson@cfpb.gov

Phone: (202) 435-7270

Nelle Rohlich (WI Bar No. 1047522)

Nelle.Rohlich@cfpb.gov

Phone: (202) 658-8966

April Denise Seabrook (DC Bar
No. 200977)

April.Seabrook@cfpb.gov

Phone: (202) 557-8822

Attorneys

Consumer Financial Protection Bureau

1700 G Street NW

Washington, DC 20552Washington, DC
20552

/s/ Sarah T. Reise

Christopher Willis

Georgia Bar No. 766297

Sarah T. Reise

Georgia Bar No. 181567

TROUTMAN PEPPER HAMILTON
SANDERS LLP

600 Peachtree Street, NE, Suite 3000
Atlanta, Georgia 30308-2216

Telephone: (404) 885-3000

Facsimile: (404) 885-3900

E-mail: sarah.reise@troutman.com

E-mail: chris.willis@troutman.com

*Counsel for Respondent Community
Loans of America, Inc.*

CERTIFICATE OF COMPLIANCE WITH LOCAL RULE 7.1D

Pursuant to Local Rule 7.1D, the undersigned counsel certifies that this document has been prepared using Times New Roman 14-point font.

/s/ Kevin E. Friedl
Kevin E. Friedl

CERTIFICATE OF SERVICE

I hereby certify that on the 28th day of May 2024, a true and correct copy of the foregoing *Joint Status Report* was filed electronically via the Court's CM/ECF system, which will automatically notify counsel of record.

/s/ Kevin E. Friedl
Kevin E. Friedl